Beijing Jingneng Clean Energy Co., Limited
北京京能清潔能源電力股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00579)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2013

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended June 30, 2013 was RMB2,938.01 million, an increase of 52.40% as compared with the corresponding period of 2012.
- Profit before taxation for the six months ended June 30, 2013 was RMB774.27 million, an increase of 32.14% as compared with the corresponding period of 2012.
- Profit and total comprehensive income attributable to equity owners of the Company for the six months ended June 30, 2013 were RMB635.83 million, an increase of 36.63% as compared with the corresponding period of 2012.
- Basic and diluted earnings per share for the six months ended June 30, 2013 were RMB10.34 cents.

RESULTS HIGHLIGHTS

The board of directors (the "**Board**") of Beijing Jingneng Clean Energy Co., Limited (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**" or "**we**" or "**us**") for the six months ended June 30, 2013 (the "**Reporting Period**"), prepared under International Financial Reporting Standards ("**IFRSs**").

FINANCIAL INFORMATION

Unaudited Condensed Consolidated Statement of Comprehensive Income

For the six months ended June 30, 2013

(Amount expressed in thousands of RMB unless otherwise stated)

		For the six months ended June 30 (Unaudited)	
		2013	2012
	Notes	***RMB'000***	*RMB'000*
			(Restated)
Revenue	*4*	**2,938,010**	1,927,880
Other income	*5*	**277,872**	309,319
Gas consumption		**(1,390,889)**	(829,846)
Depreciation and amortization	*9*	**(517,713)**	(432,139)
Personnel costs		**(149,462)**	(99,446)
Repairs and maintenance		**(61,305)**	(47,577)
Other expenses		**(162,164)**	(116,475)
Other gains and losses	*6*	**85,548**	100,110
Profit from operations		**1,019,897**	811,826
Interest income	*7*	**15,156**	14,875
Finance costs	*7*	**(405,186)**	(347,072)
Share of results of associates		**144,377**	106,166
Share of results of jointly controlled entities		**24**	130
Profit before taxation		**774,268**	585,925
Income tax expense	*8*	**(89,467)**	(80,835)
Profit and total comprehensive income for the period	*9*	**684,801**	505,090
Profit and total comprehensive income for the period attributable to:			
– Equity owners of the Company		**635,834**	465,372
– Non-controlling interests		**48,967**	39,718
		684,801	505,090

		For the six months ended June 30 (Unaudited)	
		2013	2012
		RMB cents	*RMB cents*
			(Restated)
Earnings per share			
Basic and diluted	*11*	**10.34**	7.58

Unaudited Condensed Consolidated Statement of Financial Position

As of June 30, 2013

(Amount expressed in thousands of RMB unless otherwise stated)

	Notes	As at June 30, 2013 RMB'000 (Unaudited)	As at December 31, 2012 RMB'000 (Audited)
Non-current assets			
Property, plant and equipment		**18,363,901**	17,405,497
Intangible assets		**4,573,185**	4,656,091
Goodwill		**124,194**	124,194
Prepaid lease payments		**131,930**	133,297
Investments in associates		**1,687,343**	1,455,219
Loans to associates		**149,440**	149,440
Investments in jointly controlled entities		**80,414**	80,390
Deferred tax assets		**102,556**	108,356
Available-for-sale financial assets		**98,028**	98,028
Trade receivables	*12*	**346,938**	354,259
Value-added tax recoverable		**546,915**	513,977
Deposit paid for acquisition of property, plant and equipment		**1,457,774**	1,168,222
		27,662,618	26,246,970
Current assets			
Inventories		**69,677**	69,858
Trade and bill receivables	*12*	**1,287,054**	1,475,193
Other receivables, deposits and prepayments		**237,298**	317,590
Current tax assets		**57,483**	11,473
Amounts due from related parties		**15,873**	138,478
Prepaid lease payments		**2,027**	2,116
Value-added tax recoverable		**306,844**	426,825
Restricted bank deposits		**138,717**	207,576
Cash and cash equivalents		**1,814,472**	2,178,030
		3,929,445	4,827,139
Assets classified as held for sale		**36,961**	34,969
		3,966,406	4,862,108

	Notes	As at June 30, 2013 RMB'000 (Unaudited)	As at December 31, 2012 RMB'000 (Audited)
Current liabilities			
Trade and other payables	*13*	**2,695,140**	1,915,092
Amounts due to related parties		**1,537,688**	1,339,284
Bank and other borrowings – due within one year		**2,531,451**	4,266,759
Short-term debentures		**1,800,000**	–
Income tax payable		**38,971**	49,548
Deferred income – current portion		**166,729**	32,916
		8,769,979	7,603,599
Liabilities associated with assets classified as held for sale		**1,775**	1,169
		8,771,754	7,604,768
Net current liabilities		**(4,805,348)**	(2,742,660)
Total assets less current liabilities		**22,857,270**	23,504,310
Non-current liabilities			
Bank and other borrowings – due after one year		**8,271,029**	9,305,903
Medium-term notes		**1,000,000**	1,000,000
Corporate bonds		**3,585,607**	3,582,903
Deferred tax liabilities		**27,487**	24,894
Deferred income		**267,058**	268,285
		13,151,181	14,181,985
Net assets		**9,706,089**	9,322,325
Capital and reserves			
Share capital		**6,149,905**	6,149,905
Reserves		**3,302,093**	2,896,880
Equity attributable to equity owners of the Company		**9,451,998**	9,046,785
Non-controlling interests		**254,091**	275,540
Total equity		**9,706,089**	9,322,325

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended June 30, 2013 (Unaudited)

1. GENERAL AND BASIS OF PREPARATION

In preparing the consolidated financial statements, the directors of the Company (the "**Directors**") have given careful consideration of the Group's net current liabilities of RMB4,508,348,000 as at June 30, 2013. Taking into consideration of the unutilized banking facilities available to Group and the Group's cash inflows generated from operating activities, the Directors are satisfied that the Group will be able to meet in full its financial obligations as they fall due for the foreseeable future. Accordingly the consolidated financial statements have been prepared on a going concern basis.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 Interim Financial Reporting issued by the International Accounting Standards Board as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). Such condensed consolidated financial statements have not been audited.

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is the same as the function currency of the Company.

2. BASIS OF PREPARATION

The Group's acquisition of Sichuan Dachuan Power Co., Ltd. ("**Sichuan Dachuan**") and Sichuan Zhongneng Power Co., Ltd. ("**Sichuan Zhongneng**") was completed by the end of December 2012 and has been accounted for as a combination of businesses under common control in a manner similar to pooling-of-interests since the Directors consider that the Group, Sichuan Dachuan and Sichuan Zhongneng are under the common control of Beijing Energy Investment Holding Co., Ltd. (北京能源投資 (集團) 有限公司, "**BEIH**") since July 7, 2011. As a result, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended June 30, 2012 have been restated to include the operating results and cash flows of Sichuan Dachuan and Sichuan Zhongneng as of June 30, 2012. All intra-group transactions, balances, income and expenses are eliminated.

The effect of restatements arising from acquisition of Sichuan Dachuan and Sichuan Zhongneng accounted for as a combination of businesses under common control ("**Adjustment**") on the results for the year ended June 30, 2012 by line items is set out below:

	As of June 30, 2012 (Unaudited)		
	Originally stated	**Adjustment**	**Restated**
	RMB'000	*RMB'000*	*RMB'000*
Revenue	1,809,671	118,209	1,927,880
Other income	308,269	1,050	309,319
Gas consumption	(829,846)	–	(829,846)
Depreciation and amortization	(406,560)	(25,579)	(432,139)
Personnel costs	(86,258)	(13,188)	(99,446)
Repairs and maintenance	(45,132)	(2,445)	(47,577)
Other expenses	(92,549)	(23,926)	(116,475)
Other gains and losses	100,162	(52)	100,110
Profit from operations	757,757	54,069	811,826
Interest income	13,813	1,062	14,875
Finance costs	(339,460)	(7,612)	(347,072)
Share of results of associates	106,166	–	106,166
Share of results of jointly controlled entities	130	–	130
Profit before taxation	538,406	47,519	585,925
Income tax expense	(75,167)	(5,668)	(80,835)
Profit and total comprehensive income for the period	463,239	41,851	505,090

	As of June 30, 2012 (Unaudited)		
	Originally stated	**Adjustment**	**Restated**
	RMB cents	*RMB cents*	*RMB cents*
Basic and diluted earnings per share	6.90	0.68	7.58

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except that certain properties, plant and equipment which are recorded as deemed cost and in accordance with IFRSs.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended June 30, 2013 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended December 31, 2012.

In the Reporting Period, the Group has applied, for the first time, the following amendments to IFRSs:

Amendments to IFRS 1	Government Loans[1]
Amendments to IFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities[1]
Amendments to IFRS 9 and IFRS 7	Mandatory Effective Date of IFRS 9 and Transition Disclosures[2]
Amendments to IFRS10, IFRS 11 and IFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transaction Guidance[1]
IFRS 10	Consolidated Financial Statements[1]
IFRS 11	Joint Arrangements[1]
IFRS 12	Disclosure of Interests in Other Entities[1]
IFRS 13	Fair Value Measurement[1]
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income[2]
IAS 19 (as revised in 2011)	Employee Benefits[1]
IAS 27 (as revised in 2011)	Separate Financial Statements[1]
IAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[1]

Notes:

(1) Effective for annual periods beginning on or after January 1, 2013

(2) Effective for annual periods beginning on or after July 1, 2012

The application of the above amendments to IFRSs in the Reporting Period has had no material effect on the amounts reported in these condensed consolidated financial statements and disclosures set out in these condensed consolidated financial statements.

4. REVENUE

An analysis of the Group's revenue is as follows:

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Sales of goods:		
– Electricity	**2,654,384**	1,705,319
– Heat energy	**277,609**	213,848
Service income *(Note)*	**6,017**	8,713
	2,938,010	1,927,880

Note: Service income represents income generated from repair and maintenance service provided to third parties.

5. OTHER INCOME

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Government grants and subsidies related to:		
– Clean energy production *(Note (a))*	**228,681**	215,118
– Construction of assets *(Note (b))*	**1,316**	1,316
Dividend from available-for-sale financial assets, unlisted	**–**	2,468
Income from CERs and VERs *(Note (c))*	**31,696**	82,974
Value-added tax refunds *(Note (d))*	**10,137**	2,947
Others	**6,042**	4,496
	277,872	309,319

Notes:

(a) The Group's gas and wind power facilities located in Beijing, the PRC, were entitled to a subsidy policy promulgated by the Beijing Government. The Beijing Government compensated the Group based on a pre-determined subsidized rate and quantities approved from time to time for the sale of electricity generated by those facilities. The grants will be released to profit or loss based on the actual volume of electricity generated from and sold by the Group's related gas and wind power facilities and at the pre-determined subsidized rate.

(b) Grants related to construction of assets are provided by several local governments in the PRC to encourage the construction of clean energy facilities. The Group records these grants as deferred income upon receipt of the grants and will release to profit or loss to match with the depreciation of related assets.

(c) The Group sells carbon credits known as Certified Emission Reductions ("**CERs**") generated from wind farms or other clean energy facilities which have been registered under the United Nation's Clean Development Mechanism ("**CDM**"). The Group also sells Voluntary Emission Reductions ("**VERs**") generated from CDM projects but generated before the registration with CDM. The revenue in relation to CERs and VERs are recognized when there is a persuasive arrangement between the Group and a buyer, the selling price is fixed or determinable, the relevant electricity has been generated and CERs and VERs have been verified and admitted by the Clean Development Mechanism Executive Board.

(d) The Group is entitled to a 50% refund of value-added tax for its revenue from the sale of electricity generated from the wind farms and a full refund of value-added tax for its revenue from the sale of heat energy to residential customers.

6. OTHER GAINS AND LOSSES

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Other gains (losses) comprise:		
Impairment loss on doubtful receivables	**(28)**	(72)
Gain (Loss) on disposal of property, plant and equipment	**(359)**	44
Net exchange gain (loss)	**(4,567)**	6,745
Gain on disposal of subsidiaries and jointly controlled entities	**–**	94,156
Gain or loss on capital contribution made by minority shareholders of associates *(Note)*	**87,747**	–
Others	**2,755**	(763)
	85,548	100,110

Note: This item represents the increase in the share of capital reserve of Beijing Jingneng International Power Co., Ltd. ("**Jingneng International**") as a result of issuance of shares by a subsidiary of Jingneng International to certain non-controlling shareholders by way of non-public offering.

7. INTEREST INCOME/FINANCE COSTS

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Interest income	**15,156**	14,875
Interest expense	**473,750**	498,331
Less: Amounts capitalized in property, plant and equipment	**(68,564)**	(151,259)
Total finance costs	**405,186**	347,072
Net finance costs	**390,030**	332,197

8. INCOME TAX EXPENSE

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Current tax:		
PRC enterprise income tax ("**EIT**")	**81,074**	41,942
Deferred tax:		
Current year	**8,393**	38,893
Income tax expense	**89,467**	80,835

PRC enterprise income tax has been generally provided at the applicable enterprise income tax rate of 25% on the estimated assessable profits of the companies in the Group during the six months ended June 30, 2013.

Pursuant to the joint circular (2008) No. 46 of the Ministry of Finance and the State Administration of Taxation of the PRC, a PRC enterprise engaging in public infrastructure projects is entitled to a three-year tax exemption and a three-year 50% deduction on the PRC enterprise income tax for taxable income generated by qualified public infrastructure projects which are approved after January 1, 2008 commencing from the first year when relevant projects generate revenue. Most wind farms of the Group enjoy this tax concession.

Under the EIT Law, the preferential tax treatment for encouraged enterprises located in western PRC and certain industry-oriented tax incentives remains available up to December 31, 2020 when the original preferential tax period will expire. Heishui County Sanlian HydroPower Development Co., Ltd. (黑水縣三聯水電開發有限責任公司), Sichuan Dachuan and Sichuan Zhongneng, all being subsidiaries of the Company, enjoy this preferential PRC enterprise income tax rate of 15%. Two wind power projects wholly-owned by the Company, Chayouzhong Wind Farm Phase I, Jixianghuaya Wind Farm Phase I enjoys the preferential PRC enterprise income tax rate of 15% with a tax exemption for two years ended December 31, 2009 and 2010 and 50% deduction on enterprise income tax for the three years ending December 31, 2011, 2012 and 2013.

9. PROFIT FOR THE PERIOD

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Profit for the period has been arrived at after charging:		
Auditors' remuneration	**309**	590
Prepaid lease payments released to profit or loss	**1,455**	986
Operating lease payments in respect of land and building	**5,578**	5,356
Depreciation and amortization:		
Depreciation of property, plant and equipment	**426,885**	328,619
Amortization of intangible assets	**90,828**	103,520
Total depreciation and amortization	**517,713**	432,139

10. DIVIDENDS

(a) On June 18, 2013, a dividend in the total amount of approximately RMB230,621,000 was declared by the Company.

(b) The directors do not recommend the payment of any interim dividend for the six months ended June 30, 2013 (six months ended June 30, 2012: nil).

11. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to shareholders of the Company for the six months ended June 30, 2013 of RMB635,834,000 (six months ended June 30, 2012: RMB465,372,000) and the weighted average number of shares in issue during the six months ended June 30, 2013 of 6,149,905,000 (six months ended June 30, 2012: 6,138,911,000).

There was no difference between the basic and diluted earnings per share as there were no diluted potential shares outstanding for the periods presented.

12. TRADE AND BILL RECEIVABLES

	As at June 30, 2013 *RMB'000* **(Unaudited)**	As at December 31, 2012 *RMB'000* (Audited)
Trade receivables	**1,599,288**	1,797,045
Bill receivables	**35,607**	33,282
	1,634,895	1,830,327
Less: allowance for doubtful receivables	**903**	875
	1,633,992	1,829,452
Trade and bill receivables, classified as:		
– Current	**1,287,054**	1,475,193
– Non-current	**346,938**	354,259
	1,633,992	1,829,452

The following is an ageing analysis of the Group's trade and bill receivables net of allowance for doubtful receivables by invoice date as at the reporting date:

	As at June 30, 2013 *RMB'000* **(Unaudited)**	As at December 31, 2012 *RMB'000* (Audited)
Within 60 days	**711,462**	838,116
61 to 365 days	**476,019**	343,622
1 to 2 years	**308,652**	514,228
2 to 3 years	**137,859**	133,486
	1,633,992	1,829,452

Movements in the allowance of doubtful receivables are set out as follows:

	For the six months ended June 30, 2013 *RMB'000* **(Unaudited)**	For the year ended December 31, 2012 *RMB'000* (Audited)
At the beginning of the year/period	**875**	710
Provided during the year/period	**28**	165
At the end of the year/period	**903**	875

13. TRADE AND OTHER PAYABLES

	As at June 30, 2013 *RMB'000* **(Unaudited)**	As at December 31, 2012 *RMB'000* (Audited)
Trade payables	**1,558,787**	1,344,907
Bills payable	**607,413**	232,576
Advance received from customers	**9,955**	10,605
Salary and staff welfares	**66,796**	65,118
Non-income tax related tax payables	**20,506**	38,969
Accrued interests payable	**218,162**	143,281
Dividends payables	**72,287**	–
Payable for costs of new share issuance	**–**	21,202
Other payables	**141,234**	58,434
	2,695,140	1,915,092

The following is an ageing analysis of the Group's trade payables by invoices date as at the reporting date:

	As at June 30, 2013 *RMB'000* **(Unaudited)**	As at December 31, 2012 *RMB'000* (Audited)
Within 30 days	**320,510**	520,318
31 to 365 days	**706,005**	519,998
1 to 2 years	**290,155**	84,090
2 to 3 years	**79,876**	48,318
Over 3 years	**162,241**	172,183
	1,558,787	1,344,907

Trade payables over one year are mainly retention payables.

14. SEGMENT INFORMATION

The Group manages its businesses by divisions. The Group has presented the following reportable segments.

- Wind power: constructs, manages and operates wind power plants and generates electric power for sale to external customers.

- Gas-fired power and heat energy generation: manages and operates natural gas-fired power plants and generates electric power and heat energy for sale to external customers.

- Hydropower: constructs, manages and operates hydropower plants, and generates electric power for sale to external customers.

– Others: business activities other than "Wind power", "Gas-fired power and heat energy generation" and "hydropower".

(a) Segment revenue, results, assets and liabilities

An analysis of the Group's reportable segment revenue, result, assets, and liabilities for the six months ended June 30, 2013, by operating segment is as follows:

	Wind power	Gas-fired power and heat energy generation	Hydropower	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
For the six months ended June 30, 2013 (Unaudited)					
Revenue from external customers					
Sales of electricity	859,756	1,630,830	133,163	30,635	2,654,384
Sales of heat energy	–	277,516	–	93	277,609
Others	–	–	–	6,017	6,017
Reportable segment revenue/ consolidated revenue	859,756	1,908,346	133,163	36,745	2,938,010
Reportable segment profit *(Note(i))*	506,863	383,035	63,725	(21,473)	932,150
Reportable segment assets	13,891,406	9,332,000	2,905,781	9,766,435	35,895,622
Reportable segment liabilities	10,083,018	6,136,037	1,812,325	10,209,476	28,240,856
Additional segment information:					
Depreciation	215,637	169,610	32,813	8,825	426,885
Amortization	77,333	34	1	13,460	90,828
Finance costs *(Note(ii))*	297,593	81,482	14,418	11,693	405,186
Other income	43,897	229,222	4,753	–	277,872
Including:					
– Government grant related to clean energy production	14,607	214,074	–	–	228,681
– Income from Certified Emission Reductions and Voluntary Emission Reductions	17,527	14,169	–	–	31,696
– Others	11,763	979	4,753	–	17,495
Expenditures for reportable segment non-current assets	157,485	994,219	124,956	151,841	1,428,501

An analysis of the Group's reportable segment revenue, result, assets, and liabilities for the six months ended June 30, 2012, by operating segment is as follows:

	Wind power *RMB'000*	Gas-fired power and heat energy generation *RMB'000*	Hydropower *RMB'000*	Others *RMB'000*	Total *RMB'000*
For the six months ended June 30, 2012 (Restated, Unaudited)					
Revenue from external customers					
Sales of electricity	604,727	982,304	111,376	6,912	1,705,319
Sales of heat energy	–	213,171	–	677	213,848
Others	–	–	–	8,713	8,713
Reportable segment revenue/ consolidated revenue	604,727	1,195,475	111,376	16,302	1,927,880
Reportable segment profit *(Note(i))*	289,732	374,120	62,093	(15,236)	710,709
Reportable segment assets	13,398,344	6,750,905	2,738,855	4,877,509	27,765,613
Reportable segment liabilities	10,052,672	4,458,579	1,437,459	2,419,347	18,368,057
Additional segment information:					
Depreciation	173,303	131,714	18,867	4,735	328,619
Amortization	97,467	26	214	5,813	103,520
Finance costs *(Note(ii))*	236,747	63,405	7,695	39,225	347,072
Other income	25,593	279,978	1,050	2,698	309,319
Including:					
– Government grant related to clean energy production	15,083	200,035	–	–	215,118
– Income from Certified Emission Reductions and Voluntary Emission Reductions	3,816	79,158	–	–	82,974
– Others	6,694	785	1,050	2,698	11,227
Expenditures for reportable segment non-current assets	353,727	1,052,700	217,985	25,024	1,649,436

Notes:

(i) The segment profit is arrived at after the deduction of gas consumption, depreciation and amortization, personnel costs, repair and maintenance, other expenses from revenue, and other gains and losses and other income (excluding dividend from available-for-sale financial assets).

(ii) Finance costs have been allocated among the segments for the additional information to the chief operating decision maker ("**CODM**"), but are not considered to arrive at the segment profit. It represents amounts regularly provided to the CODM but not included in the measure of segment profit or loss. However, the relevant borrowings have been allocated into the segment liabilities.

(b) Reconciliations of segment results, assets and liabilities to the consolidated financial statements

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Results		
Reportable segment profit	**932,150**	710,709
Unallocated		
Dividend income from available-for sale financial assets, gains from equity transfer and others	**–**	101,117
Gain or loss on capital contribution made by minority shareholders of associates	**87,747**	–
Profit from operations	**1,019,897**	811,826
Interest income	**15,156**	14,875
Finance costs	**(405,186)**	(347,072)
Share of results of associates	**144,377**	106,166
Share of results of jointly controlled entities	**24**	130
Consolidated profit before taxation	**774,268**	585,925

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Assets		
Reportable segment assets	**35,895,622**	27,765,613
Inter-segment elimination	**(7,238,138)**	(1,887,696)
Unallocated assets:		
– Investments in associates	**1,687,343**	1,373,915
– Loans to associates*	**149,440**	158,117
– Investments jointly controlled entities	**80,414**	80,351
– Deferred tax assets	**102,556**	70,084
– Available-for-sales financial assets	**98,028**	134,090
Different presentation on:		
– Value-added tax recoverable *(Note (i))*	**853,759**	813,620
Consolidated total assets	**31,629,024**	28,508,094

* *All the relevant interest income is allocated to segments but these balance sheet items are not allocated to segments, which resulted in the mismatch between the presentation of the segment results and segment assets.*

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Liabilities		
Reportable segment liabilities	**28,240,856**	18,368,057
Inter-segment elimination	**(7,238,138)**	(1,887,696)
Unallocated liabilities:		
– Income tax payable	**38,971**	13,291
– Deferred tax liabilities	**27,487**	26,356
Different presentation on:		
– Value-added tax recoverable *(Note (i))*	**853,759**	813,620
Consolidated total liabilities	**21,922,935**	17,333,628

Note:

(i) Value-added tax recoverable was net off with value-added tax payables under segment information, but reclassified and presented as assets in the statement of financial position.

All assets are allocated to reportable segments, other than available-for-sale financial assets, investments in associates and jointly controlled entities, loans to associates and deferred tax assets; all liabilities are allocated to reportable segments other than income tax payable and deferred tax liabilities.

(c) Geographical information

All of the Group's revenue and non-current assets (excluding deferred tax assets) are located in the People's Republic of China (the "**PRC**"), therefore no geographic segment information was presented. The basis for revenue allocation is based on the location of customers from which the revenue is earned, which are located in the PRC and the sales activities are made in the PRC.

(d) Information of major customers

Revenue from the PRC government controlled power grid companies for the six months ended June 30, 2013 amounted to RMB2,654,384,000 (six months ended June 30, 2012: RMB1,705,319,000). Sales of electricity to the major customers for the six months ended June 30, 2013 by segment were as follows:

	For the six months ended June 30 (Unaudited)	
	2013	2012
	RMB'000	*RMB'000*
		(Restated)
Wind Power	**859,756**	604,727
Gas-fired Power and Heat Energy Generation	**1,630,830**	982,304
Hydropower	**133,163**	111,376
Others	**30,635**	6,912
Total	**2,654,384**	1,705,319

MANAGEMENT DISCUSSION AND ANALYSIS

The world economy showed signs of recovery in the first half of 2013, but was still subject to volatility risks. Under the influence of the global economic conditions and other factors, China's economic growth slowed down, the economic environment became intricate and the state focused on carrying out economic restructuring and transformation.

Regarding the energy and power sector, an overall balance between power supply and demand was maintained nationwide in the first half of the year, with a medium-paced growth in the society's power consumption. The composition of domestic energy sources had been constantly optimized, with a gradual increase in the proportion accounted for by clean energy. The implementation of a number of state policies, such as increased fiscal and taxation subsidies and strengthened financial support, had promoted the development of the clean energy sector. Besides, Beijing's promulgation of plans and policies for stepping up efforts on the prevention and control of air pollution and accelerating the transformation of energy composition in a clean and efficient manner has also contributed to the build-up of a favourable policy platform and development environment for the Group.

In the first half of the year, the Group adapted to the market conditions in planning overall strategies and had thoroughly implemented its operation policy of "making progress while maintaining stability, deepening business planning, optimizing composition, strengthening management and improving efficiency" to vigorously carry out all the tasks. By strengthening management, exercising stringent cost control and other measures, the Group realized rapid growth in production capacity with sufficient profitability. At the same time, all the projects had achieved remarkable results as key projects were successfully put into operation and project construction was proceeding solidly and steadily. As a result, the Group experienced a rapid, coordinated, healthy and positive development momentum.

I. BUSINESS REVIEW FOR THE FIRST HALF OF THE YEAR

1. Production capacity grew rapidly with a sharp rise in power generation

In the first half of 2013, as the state and Beijing governments stepped up efforts in promoting the development of clean energy through gradual implementation of various policies, the Group achieved a comparatively higher growth in production and operation efficiencies in various business segments, thus establishing a solid foundation for achieving the targets in both production and operation for this year. The growth was mainly driven by (i) the power generation contribution made by Jingqiao Power Plant which officially commenced commercial production this year with gradually increasing gas-fired power and heat energy generation capacity; (ii) less grid curtailment for our wind power generation; and (iii) the increase in the operating and installed capacity of our photovoltaic power generation segment.

As at June 30, 2013, the Group had a consolidated installed capacity of 4,047.14 MW with a consolidated gross power generation of 5,886,824.31 MWh.

The Group's consolidated installed capacity by power generation category as at June 30, 2013 was as follows:

Power Generation Category	**Consolidated Installed Capacity as at June 30, 2013 (MW)**	**Percentage**
Gas-fired power	2,028.00	50.11%
Wind power	1,600.25	39.54%
Hydropower	368.89	9.11%
Photovoltaic power	50.00	1.24%
Total	4,047.14	100%

The Group's consolidated gross power generation by power generation category for the six months ended June 30, 2013 was as follows:

Power Generation Category	**Consolidated Gross Power Generation for the six months ended June 30, 2013 (MWh)**	**Percentage**
Gas-fired power	3,443,545.70	58.50%
Wind power	1,866,226.29	31.70%
Hydropower	541,819.36	9.20%
Photovoltaic power	35,232.96	0.60%
Total	5,886,824.31	100%

2. ***Profitability surged as a result of efficient operation***

The Group maintained stable production operations in the first half of 2013 as each segment developed smoothly in coordination with the others, and all the projects under construction commenced operation on schedule, and therefore further expanded the installed capacity of the Group. By implementing "specialized, refined, regulated, standardized and information-based" management as well as consolidating "existing asset base and incremental benefits", the Group achieved a net profit of RMB684.80 million, an increase of 35.58% from RMB505.09 million for the corresponding period of 2012 (after retroactive adjustment). Net profit attributable to the parent company amounted to RMB 635.83 million, an increase of 36.63% from RMB465.37 million for the corresponding period of 2012 (after retroactive adjustment).

3. ***Each segment developed in a balanced and coordinated manner, with more clearly-defined strategic positioning***

In the first half of 2013, the Group continued to execute the quality structural development strategy formulated at the beginning of the year, which aimed at "enlarging gas-fired power segment, strengthening wind power segment, expanding hydropower segment and optimizing photovoltaic power segment", continued to strengthen production safety management and timely identified and eliminated potential risks to ensure a favourable environment for production safety. Effective measures were taken for carrying out refined management to effectively increase power generation capacity. At the same time, the Group also exercised stringent risk control, mapped out plans in a scientific way, optimized business planning and promoted project development in a proactive and steady manner.

Gas-fired Power and Heat Energy Generation Businesses

During the Reporting Period, Beijing Taiyanggong Gas-fired Power Company (北京太陽宮燃氣熱電有限公司) and Beijing Jingfeng Thermal Power Co., Ltd. (北京京豐熱電有限責任公司) explored incremental benefits and maintained safe and stable equipment operation. Jingqiao Project Phase II in Southwest Thermal Power Center was officially put into commercial operation, contributing to a substantive increase in power generation income from this segment. Meanwhile, the Group progressively developed regional energy projects by making full play of its own advantages in line with Beijing's gas-fired development and construction plan for the period of the "Twelfth Five-year Plan". Significant progress was made in the preliminary work on the regional energy projects such as Shangzhuang Gas-fired Power Project, Yizhuang Southern Expansion Zone Project and Changping TBD Project, among which the Shangzhuang Gas-fired Power Project was included as a key project in Beijing for 2013 at a preliminary stage. The Group's position as a leading industrial player in the capital city continued to consolidate.

Wind Power Business

In the first half of 2013, the Group put a new wind power project into operation, offering an additional consolidated installed capacity of 49.5 MW. Whilst ensuring the operation commenced as scheduled, the Group continued to optimize equipment operation in existing operational wind farms and strived to enhance equipment production capacity and refined management. The average wind power utilization hours were 1,166 hours in the first half of 2013, an increase of 160 hours over the corresponding period of 2012.

Hydropower Business

During the Reporting Period, various hydropower projects were operating safely, efficiently and stably, resulting in a steady rise in power generation income. Stringent control on construction costs and strengthened management of the whole construction process were imposed on hydropower projects under construction to ensure that the construction would be completed on schedule. Meanwhile, to further expand the installed capacity of the hydropower segment, the Group actively sought and developed small- and medium-sized hydropower projects in the southwestern region which is rich in water resources.

Photovoltaic Power Generation Business

The Group seized opportunities arising from the state policies which support the photovoltaic industry to actively expand its photovoltaic projects. During the Reporting Period, Phases I and II of a photovoltaic power generation project with a total capacity of 40 MW in Wujiaqu, Xinjiang commenced operation as scheduled, contributing an increase of 396.45% in the Group's photovoltaic power generation capacity over the corresponding period last year. The Group actively pushed forward projects under construction as well as those subject to approval. In the first half of the year, four photovoltaic power generation projects with a total capacity of 101 MW commenced construction, and four new photovoltaic power generation projects with a total capacity of 100 MW were approved, providing a strong impetus into the development of the Group's photovoltaic power generation segment.

4. Project construction proceeded steadily as a result of strengthened management of project progress

In the first half of 2013, the Group vigorously reinforced the management of the construction progress of key projects with an object to create "green, safe and civilized construction sites in Beijing", strengthened project quality management and implemented stringent control measures before, during and after project construction to carry out project construction in a standardized and regulated manner and ensure that key projects meet high standards for operation.

As to the key projects in Beijing such as Northwest Thermal Power Center, Northeast Thermal Power Center, Future Science and Technology City Project, and Phase III of the Guanting Project, on-site management on the infrastructure was strengthened during the construction period. Focusing on project excellence, infrastructure management was carried out in a regulated, standardized and procedural manner to ensure that the projects proceed orderly and complete with assured quality and quantity. Meanwhile, an accountability system was established for the entire process that covered design, procurement, construction, supervision, inspection and acceptance, debugging, overhaul and maintenance. Infrastructure-production integration was carried out in advance to lay a solid foundation for subsequent production preparations.

5. Fund management and control continued to improve as financing costs kept declining

Following the successful completion of the issuance of short-term debentures in the first half of 2013, the Group's financing cost continued to drop. On January 23, 2013, the first tranche of the short-term debentures was successfully issued which raised RMB900 million at an interest rate of 4.24%. On March 12, 2013, the second tranche of short-term debentures was successfully issued which raised RMB900 million at an interest rate of 4.02%. As at the end of June 2013, the net debt gearing ratio of the Group was 61.30%, representing a decrease of 1.85% from the beginning of the year. Various debt service indicators continued to optimize. Meanwhile, the Group fully utilized the fund management platform by strengthening the centralized management of funds and effective and timely disbursement of funds for reducing capital precipitation, and with constantly improved fund management and control.

6. Strengthened the lead of science and technology to create model application projects

The Group has been focusing on enhancing scientific and technological strengths to step up the popularization and application of science and technology in production operations. The research projects on "In-depth Utilization of Waste Gas Heat" and "Optimization of Field Bus Control System and Application of Field Bus Control Technology in Combined Cycle Generating Units" have been approved by Beijing Committee of Science and Technology. Whilst the production capacity of projects and the efficiency of assets continued to enhance, the Group has set up a number of major model application projects, including certain high-end new energy utilization projects, such as Phases III and IV of the Company's Guanting Wind Power Project and the Waste Heat Pump Utilization Project in the Future Science and Technology City, which have been included into the designated plan for the new energy industry in Beijing.

Meanwhile, the Group thoroughly adopted the concept of environmental protection and sustainable development and promoted the application and registration of Clean Development Mechanism projects. The Group closely monitored the development of the domestic carbon market and actively participated in the preparatory work on carbon emission rights trading in Beijing.

In the first half of the year, the Group's three gas-fired thermal power cogeneration projects, namely Future Science and Technology City, Phase II of Jingqiao Project and Northeast Thermal Power Center, were reviewed and approved by the United Nations. The research and development of the methodology for a Clean Development Mechanism for the gas-fired thermal power cogeneration project marked a milestone in methodological studies at home and abroad, and provided broader room of profitability for the Group.

II. OPERATING RESULTS AND ANALYSIS

1. *Overview*

In the first half of 2013, the Company's profitability improved gradually. Net profit for the period amounted to RMB684.801 million, representing an increase of 35.58% as compared to RMB505.090 million for the corresponding period in 2012. Net profit attributable to the parent company amounted to RMB635.834 million, representing an increase of 36.63% as compared to RMB465.372 million for the corresponding period in 2012.

2. *Operating Income*

In the first half of 2013, the total revenue of the Company amounted to RMB2,938.010 million, representing an increase of 52.40% as compared to RMB1,927.880 million for the corresponding period in 2012. In the first half of 2013, our adjusted total operating income was RMB3,166.691 million, representing an increase of 47.77% as compared to RMB2,142.998 million for the corresponding period in 2012, due to the increase in power generation resulting from the increase in installed capacity.

The table below sets forth the revenue by business segments and product types and the reconciliation of the total revenue from reportable segments and the adjusted revenue for the periods indicated:

	For the six months ended June 30 (Unaudited)		
	2013	2012	Percentage
	(RMB ten thousand)	*(RMB ten thousand)*	Change *(%)*
Gas-fired power and heat energy generation segment:			
Sales of electricity	**163,083.00**	98,230.40	66.02%
Sales of heat energy	**27,751.60**	21,317.20	30.18%
Others	**–**	–	–
Total	**190,834.60**	119,547.60	59.63%
Wind power segment:			
Sales of electricity	**85,975.60**	60,472.70	42.17%
Others	**–**	–	–
Total	**85,975.60**	60,472.70	42.17%
Hydropower segment:			
Sales of electricity	**13,316.30**	11,137.60	19.56%
Others	**–**	–	–
Total	**13,316.30**	11,137.60	19.56%
Other segments:			
Sales of electricity	**3,063.50**	691.30	343.15%
Sales of heat energy	**9.30**	67.70	-86.26%
Others	**601.70**	871.10	-30.93%
Total	**3,674.50**	1,630.10	125.42%
Total revenue from reportable segments	**293,801.00**	192,788.00	52.40%
Add: government grants and subsidies related to clean energy production	**22,868.10**	21,511.80	6.30%
Adjusted revenue	**316,669.10**	214,299.80	47.77%

Gas-fired Power and Heat Energy Generation Segment

The revenue from the gas-fired power and heat energy generation segment increased by 59.63% from RMB1,195.476 million for the first half of 2012 to RMB1,908.346 million for the first half of 2013, due to the increase in electricity sales and heat supply as a result of the increase in installed capacity in this segment. Revenue from sales of electricity increased by 66.02% from RMB982.304 million for the first half of 2012 to RMB1,630.830 million for the first half of 2013, due to an increase in sales volume of electricity as a result of the increase in production capacity in this segment. Revenue from sales of heat energy increased by 30.18% from RMB213.172 million for the first half of 2012 to RMB277.516 million for the first half of 2013, due to the increased heat energy generation as a result of the increase in installed capacity in this segment.

Wind Power Segment

The revenue from our wind power segment increased by 42.17% from RMB604.727 million for the first half of 2012 to RMB859.756 million for the first half of 2013, which was attributable to an increase in sales of electricity generated by the new projects in operation in this segment and the easing of wind grid curtailment.

Hydropower Segment

The revenue from our hydropower segment increased by 19.56% from RMB111.376 million for the first half of 2012 to RMB133.163 million for the first half of 2013, due to an increase in sales volume of electricity as a result of the expansion of consolidated installed capacity in this segment.

Other Segments

The revenue from other segments increased by 125.42% from RMB16.301 million for the first half of 2012 to RMB36.745 million for the first half of 2013, which was attributable to an increase in sales volume of electricity due to the increase in installed capacity of our photovoltaic projects.

3. Other Income

Other income decreased by 10.17% from RMB309.319 million for the first half of 2012 to RMB277.872 million for the first half of 2013, which was mainly attributable to the decrease in income from CERs.

4. Operating Expenses

Operating expenses increased by 54.06% from RMB1,425.373 million for the first half of 2012 to RMB2,195.985 million for the first half of 2013, due to the increase in production costs and the capitalization of corresponding expenses following the commencement of production of projects in each segment.

Gas Consumption

Gas consumption increased by 67.61% from RMB829.846 million for the first half of 2012 to RMB1,390.889 million for the first half of 2013, due to the increase in gas consumption in the gas-fired power and heat energy generation segment as a result of the increase in installed capacity.

Depreciation and Amortization

Depreciation and amortization increased by 19.80% from RMB432.139 million for the first half of 2012 to RMB517.713 million for the first half of 2013, due to the increase in installed capacity in each segment.

Personnel Cost

Personnel cost increased by 50.29% from RMB99.446 million for the first half of 2012 to RMB149.462 million for the first half of 2013, due to the increased number of employees as a result of the business development of the Group and part of personnel costs expensed following the commencement of production of new projects.

Repairs and Maintenance

Repairs and maintenance increased by 28.85% from RMB47.577 million for the first half of 2012 to RMB61.305 million for the first half of 2013, due to the increase in maintenance expenses following the expiry of quality warranties of certain wind power projects.

Other Expenses

Other expenses increased by 39.23% from RMB116.475 million for the first half of 2012 to RMB162.164 million for the first half of 2013, which was attributable to the increase in other expenses due to the commencement of production of new projects.

Other Gains and Losses

Other gains decreased by 14.55% from RMB100.110 million for the first half of 2012 to RMB85.548 million for the first half of 2013. Gains for the first half of 2012 primarily represents the gains from the transfer of 35% equity interests in Beijing Huayuan Heating Pipeline Co., Ltd. and 100% equity interests in Jingneng Changtu New Energy Co., Ltd., while gains for the first half of 2013 primarily represents the increase of capital reserve resulting from non-public offering of shares to certain non-controlling shareholders by a subsidiary of an associated company, Beijing Jingneng International Power Co., Ltd..

5. ***Profit from Operations***

As a result of the above, our profit from operations increased by 25.63% from RMB811.826 million for the first half of 2012 to RMB1,019.897 million for the first half of 2013.

6. ***Adjusted Segment Operating Profit***

Adjusted segment operating profit increased by 43.22% from RMB616.508 million for the first half of 2012 to RMB882.959 million for the first half of 2013 due to increased electricity sales in all segments.

The table below sets forth the total adjusted segment operating profit as reported on the consolidated statement of comprehensive income by segment and the reconciliation to the operating profit:

	For the six months ended June 30 (Unaudited)		
	2013	2012	Percentage
	(RMB ten thousand)	*(RMB ten thousand)*	Change %
Gas-fired power and heat energy generation segment	**36,788.70**	29,415.00	25.07%
Wind power segment	**47,757.30**	27,922.20	71.04%
Hydropower segment	**5,897.20**	6,104.30	-3.39%
Other segments	**(2,147.30)**	(1,790.70)	19.91%
Total adjusted segment operating profit	**88,295.90**	61,650.80	43.22%
Less: Government grants and subsidies related to clean energy production	**(22,868.10)**	(21,511.80)	6.30%
Add: Other income	**27,787.20**	30,931.90	-10.17%
Add: Unallocated items	**8,774.70**	10,111.70	-13.22%
Operating profit	**101,989.70**	81,182.60	25.63%

Note: Unallocated items include dividend income from available-for-sale financial assets, gains from equity transfer, and gains or losses from capital injection by minority shareholders of associated companies.

Gas-fired Power and Heat Energy Generation Segment

The total adjusted segment operating profit of our gas-fired power and heat energy generation segment increased by 25.07% from RMB294.150 million for the first half of 2012 to RMB367.887 million for the first half of 2013 due to increased electricity sales in this segment and reduced cost of power generation per unit.

Wind Power Segment

Adjusted segment operating profit of our wind power segment increased by 71.04% from RMB279.222 million for the first half of 2012 to RMB477.573 million for the first half of 2013 due to the increase in electricity sales as a result of the commencement of production of new projects in this segment and less wind grid curtailment.

Hydropower Segment

Adjusted segment operating profit of our hydropower segment decreased by 3.39% from RMB61.043 million for the first half of 2012 to RMB58.972 million for the first half of 2013 due to the increase in cost of power generation per unit.

Other Segments

Adjusted segment operating loss of other segments increased by 19.91% from RMB17.907 million for the first half of 2012 to RMB21.473 million for the first half of 2013 due to the exchange loss incurred in the foreign currency funds of the Company.

7. Finance Costs

Our finance costs increased by 16.74% from RMB347.072 million for the first half of 2012 to RMB405.186 million for the first half of 2013 due to interest payments expensed following the commencement of production of new projects.

8. Share of Results of Associates and Jointly Controlled Entities

Share of results of associates and jointly controlled entities increased by 35.85% from RMB106.296 million for the first half of 2012 to RMB144.401 million for the first half of 2013 due to the substantial increase in the net profit of Beijing Jingneng International Power Co., Ltd., an associate of the Company, as a result of the decline of fuel prices.

9. Profit before Taxation

As a result of the foregoing, our profit before taxation increased by 32.14% from RMB585.925 million for the first half of 2012 to RMB774.268 million for the first half of 2013.

10. Income Tax Expense

Our income tax expense increased by 10.68% from RMB80.835 million for the first half of 2012 to RMB89.467 million for the first half of 2013. Our effective tax rate decreased from 13.80% for the first half of 2012 to 11.56% for the first half of 2013 primarily due to the tax preferential policies enjoyed by our newly operational wind power projects.

11. Profit for the Period

As a result of the foregoing, profit for the period increased by 35.58% from RMB505.090 million for the first half of 2012 to RMB684.801 million for the first half of 2013.

12. Profit for the Period Attributable to Equity Owners of the Company

Profit for the period attributable to equity owners of the Company increased by 36.63% from RMB465.372 million for the first half of 2012 to RMB635.834 million for the first half of 2013.

III. FINANCIAL POSITION

1. Overview

As at June 30, 2013, total assets of the Group amounted to RMB31,629.024 million, total liabilities were RMB21,922.935 million and shareholders' equity reached RMB9,706.089 million, among which equity attributable to equity owners of the Company amounted to RMB9,451.998 million.

2. Particulars of Assets and Liabilities

Our total assets increased by 1.67% from RMB31,109.078 million as at December 31, 2012 to RMB31,629.024 million as at June 30, 2013 due to increased investment in project construction. The total liabilities increased by 0.63% from RMB21,786.753 million as at December 31, 2012 to RMB21,922.935 million as at June 30, 2013 due to the increase in payables for project construction. Total shareholders' equity increased by 4.12% from RMB9,322.325 million as at December 31, 2012 to RMB9,706.089 million as at June 30, 2013. Equity attributable to equity owners of the Company increased by 4.48% from RMB9,046.785 million as at December 31, 2012 to RMB9,441.998 million as at June 30, 2013.

3. Liquidity

As at June 30, 2013, our current assets amounted to RMB3,966.406 million, including cash of RMB1,814.472 million, bills and account receivables of RMB1,287.054 million (mainly comprising receivables from sales of electricity and heat energy), and prepayment and other current assets of RMB864.880 million (mainly comprising deductible value-added tax and other accounts receivables). Current liabilities amounted to RMB8,771.754 million, including short-term borrowings of RMB2,531.451 million, short-term debentures of RMB1,800 million and bills and account payables of RMB2,695.140 million (mainly comprising payables for gas and purchase of engineering equipment). Other current liabilities amounted to RMB1,745.163 million, mainly including deferred incomes, income tax payable and amounts due to related parties.

Net current liabilities increased by 75.21% from RMB2,742.66 million as at December 31, 2012 to RMB4,805.348 million as at June 30, 2013 due to the increase in trade and other payables.

4. Net Gearing Ratio

Net gearing ratio, calculated by dividing net debts (total borrowings minus cash and cash equivalents) by the sum of net debts and total equity, decreased by 1.85% from 63.15% as at December 31, 2012 to 61.30% as at June 30, 2013 due to the decrease in borrowings.

The Group's long-term and short-term borrowings decreased by 5.33% from RMB18,155.565 million as at December 31, 2012 to RMB17,188.087 million as at June 30, 2013, including short-term borrowings of RMB2,531.451 million, short-term debentures of RMB1,800 million, long-term borrowings of RMB8,271.029 million, medium-term notes of RMB1,000 million and corporate bonds of RMB3,585.607 million.

Bank balances and cash held by the Group decreased by 16.69% from RMB2,178.030 million as at December 31, 2012 to RMB1,814.472 million as at June 30, 2013 due to the expenditures incurred for projects construction.

IV. OTHER SIGNIFICANT EVENTS

1. Financing

On January 23, 2013, the Group successfully issued the first tranche of short-term debentures and raised proceeds of RMB900 million at an interest rate of 4.24%. On March 12, 2013, the Group successfully issued the second tranche of short-term debentures and raised proceeds of RMB900 million at an interest rate of 4.02%.

2. *Capital Expenditure*

In the first half of 2013, the Group's capital expenditure amounted to RMB1,428.501 million, including RMB994.219 million incurred for construction projects in the gas-fired power and heat energy generation segment, RMB157.485 million incurred for construction projects in the wind power segment, RMB124.956 million incurred for construction projects in the hydropower segment, and RMB151.841 million incurred for other construction projects.

3. *Material Acquisition and Disposal*

In the first half of 2013, the Company had no material acquisitions or disposals.

4. *Significant Investment*

According to the development plan of the Group, the Company established a wholly-owned subsidiary Ningxia Jingneng Zhongwei New Energy Co., Ltd. (寧夏京能中衛新能源有限公司) in June 2013 to carry out the construction of photovoltaic power projects.

5. *Contingent Liabilities*

As of June 30, 2013, the Group had no external guarantees.

6. *Pledge of Assets*

As of June 30, 2013, the Group's bank borrowings with a balance of RMB110 million were secured by fix assets.

V. OUTLOOK FOR THE SECOND HALF OF THE YEAR

Despite the current slowdown in China's economic growth, the Group believes that the trend of economic development remain positive, implying a further growth in energy demand in the second half of the year. As the energy sector is still undergoing transformation and restructuring, China will continue to optimize the composition of energy sources and adopt a new pattern of energy development.

The State Council has issued ten measures to prevent and control air pollution after heavy fog and haze affected many places across the country at the beginning of the year. The measures include, among other things, the setup of a PM2.5 joint prevention and control mechanism in the Beijing-Tianjin-Hebei Region. To this end, Beijing has taken the lead in the prevention and control of air pollution. A number of plans, including the "Beijing Clean Air Action Plan", were formulated to build an efficient, safe and clean energy system through a number of specific initiatives such as the implementation of the strategy of "Coal-free within the Fifth Ring Road" and the setup of a regional energy center in full swing.

The Group will adhere to the positive development trend, highlight the guidelines on "maintaining stable development with emphasis on Beijing, prioritizing efficient use of resources to achieve maximum cost-efficiency", proactively carry out the guiding principle on investment and operation to "maintain stability, devise strategic planning, optimize structure, strengthen management and promote growth", make progress while maintaining stability and enhance sustainability and corporate competitiveness. With a focus on corporate economic benefits, the Group will fully accelerate the progress of the construction of regional energy projects, such as the Northeast Thermal Power Center, Northwest Thermal Power Center, Future Science and Technology City in Changping District and the project in northern Haidian Distract, ensure smooth operation of key projects and consolidate its position as a leading industrial player in Beijing on an ongoing basis. The Company will also continue to actively adjust the strategic planning, and steadily promote project development in other segments by adapting to local conditions, diversifying business layout, carrying out refined management and coordinating the development of each segment.

In the second half of 2013, the Group will focus on achieving the following goals:

1. Accomplishing various production, operation and profit indicators for the whole year by strengthening the management of project operation in each segment and exercising stringent control of costs to ensure safe and stable operation of equipment, with an aim of promoting the Company's intrinsic safety standard. Priority is given to performance with emphasis on power generation capacity to further enhance profitability, improve efficiency and maintain the Group's competitiveness and sustainability in the sector.

2. Focusing on the construction of the four major thermal power center projects in Beijing by overcoming all difficulties and making every effort in proceeding with the construction of the Northeast Thermal Power Center, Northwest Thermal Power Center and Future Science and Technology City projects to realize the Group's "Multiplied Capacity Plan" for the gas-fired power and heat energy generation segment early and build up a comprehensive clean energy supply platform in Beijing.

3. Seizing market opportunities by promoting the preliminary construction work of Changping TBD Regional Energy Project, Yizhuang Southern Expansion Zone Project, Phases IV – VIII of Guanting Wind Power Project, as well as Lingwu and Zhongwei Photovoltaic Projects to speed up the progress of such projects.

4. Actively exploring new projects in areas of regional energy, photovoltaic power, hydropower and hybrid wind-photovoltaic power generation. Project reserves will also be expanded to achieve coordinated development of different energy sources, so as to constantly optimize the business structure of the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended June 30, 2013.

INTERIM DIVIDEND

The Board has not made any recommendation on the distribution of an interim dividend for the six months ended June 30, 2013.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

As a company listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), the Company always strives to maintain a high level of corporate governance and complied with all code provisions as set out in the Corporate Governance Code as set out in Appendix 14 to the Listing Rules for the six months ended June 30, 2013.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions of the Company by the directors and supervisors of the Company. Upon making specific enquiries to all of the directors and supervisors of the Company, all directors and supervisors of the Company confirmed that throughout the Reporting Period, each of the directors and supervisors of the Company had fully complied with the required standards set out in the Model Code.

AUDIT COMMITTEE

The audit committee of the Company has reviewed the Group's 2013 interim results announcement, interim report and the unaudited financial statements for the six months ended June 30, 2013 prepared in accordance with the IFRSs.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the HKExnews website of the Stock Exchange at http://www.hkexnews.hk and on the website of the Company at http://www.jncec.com/. The 2013 interim report containing all the information required by the Listing Rules will be dispatched to the shareholders in due course and will be published on the websites of the Company and the Stock Exchange.

By order of the Board
Beijing Jingneng Clean Energy Co., Limited
LU Haijun
Chairman

Beijing, the PRC
27 August 2013

As at the date of this announcement, the non-executive directors of the Company are Mr. Lu Haijun, Mr. Guo Mingxing, Mr. Xu Jingfu, Mr. Liu Guochen, Mr. Yu Zhongfu and Mr. Jin Yudan; the executive director of the Company is Mr. Chen Ruijun; and the independent non-executive directors of the Company are Mr. Liu Chaoan, Mr. Shi Xiaomin, Ms. Lau Miu Man and Mr. Wei Yuan.